

FY12 Special Projects

Summaries & Staff Recommendations – September 2011

Staff received 20 proposals for FY12 Special Projects funding by the July 15 application deadline. The majority of projects were received using the Commission's new online application forms, and the Project Descriptions provided below were submitted by the Applicants. Staff evaluations and recommendations follow for each proposal.

The Committee has a budgeted balance of \$5 million, in addition to a carried-forward amount of \$265,022 and \$1.75 million from a grant award that was subsequently declined by the grantee. The total balance available is just over \$7 million. Please note that Staff recommendation for proposal #2368 (Liberty University) is contingent on a budget transfer to the Committee from unbudgeted corpus invasion funds.

Req #	Organization Name	Project Title	Request Amount	Staff recommendation
2352	Breaks Interstate Park	Splash in the Park	\$1,176,743	\$500,000
2379	Carroll-Grayson-Galax Solid Waste Authority	Carroll-Grayson-Galax Landfill Gas to Pipeline Project	\$2,104,373	0
2416	Center for Rural Virginia	Supporting Manufacturing to Attract, Train and Develop an Available Workforce	\$200,000	0
2393	Community Foundation of the Dan River Region	SOVA REAP - Southern Virginia Regional Energy Alliance Program	\$210,898	0
2434	GENEDGE ALLIANCE	E3-Economy, Energy, and Environment Pilot Program in Southern Virginia	\$550,000	0
2395	Halifax County IDA	Completion of the Center for Coatings Application Research and Education (C-CARE)	\$1,466,015	\$845,000
2368	Liberty University	Liberty University Center for Medical and Health Sciences	\$12,000,000	\$12,000,000
2350	Martinsville-Henry County Economic Development Corporation	Patriot Centre Lot 2 Site Grading	\$700,000	\$442,182
2358	Mecklenburg County	Commonwealth "TransTech" Marketing Alliance	\$200,000	\$200,000
2367	Moneta Arts Education and Community Center, Inc.	Center at the Lake	\$800,000	0
2366	Olde Dominion Agricultural Foundation, Inc.	Olde Dominion Agriculture Complex - Arena Build-out	\$1,000,000	Refer to Agribusiness

2381	People Incorporated Financial Services	Commonwealth Enterprise Fund	\$750,000	\$300,000
2396	Prince Edward County	Virginia's Retreat Overall Strategic Plan and Organizational Expansion	\$508,500	\$125,500
2377	Region 2000 Research Institute	Expansion of CAER Capability to Support Development of 4G LTE Wireless Technology	\$348,000	\$348,000
2414	Roanoke River Basin Association - Upper Reach	Lake County, Bannister River, Staunton River Blueways Initiative	\$299,858	\$180,250
2345	Roanoke River Service Authority	RRSA PAC Silo Project	\$426,780	0
2369	Robert Russa Moton Museum	Moton 2011: the Permanent Exhibition - Galleries II-IV, Final Fabrication and Installation	\$1,600,000	\$400,000
2357	Southwest Regional Recreation Authority	Adventure Tourism, Playground of the East - An Enterprising Pathway to Economic Diversification and a Locally Sustainable Economic Engine for Southwest Virginia	\$1,118,350	\$200,000
2336	The University of Virginia's College at Wise Foundation	Appalachian Community Scholars Program	\$900,000	Refer to Education
2382	Wilderness Road	Wilderness Road Regional Asset Inventory	\$101,000	\$101,000

Total (20 requests)	\$26,460,517	\$15,641,932
Balance available	\$7,015,022	(\$8,626,910)

Breaks Interstate Park
Splash in the Park - #2352
\$1,176,743.00 requested

Project Description provided by applicant: The funds will be used as a matching grant to secure funds from the Coalfield Economic Development Authority to construct a water park themed aquatics facility at Breaks Interstate Park. This tourists facility would replace an existing antiquated rectangular pool that is scheduled for demolition in the fall of 2011. The facility would include a lazy river, zero depth entry that would be ADA accessible, slides for toddlers, families and thrill seekers, toddler area, spray features, a modern bath house, shade structures, modern concessions area and equipment needed for the operation of the facility (i.e., sidewalks, landscaping, safety devices and equipment normally associated with the operation of such facility).

Staff evaluation and recommendation: The request includes cost to demolish an existing pool built in 1969 (\$340,000) and replacement with a multi-feature waterpark and related structures and improvements such as a bath house/concession building. The project will reportedly create seven new seasonal jobs. New visitation is estimated at 4,700-5,800 annually. New annual Park revenues are estimated at an additional \$270,000-\$390,000 per year, primarily from additional weekend lodging

rentals and presumably limited to three summer months. Indirect spending by new visitors in the area are estimated at \$300,000-\$440,000 annually. The proposal acknowledges that the facility will be a regional recreation resource for area residents ("a substantial quality of life amenity for all of the surrounding communities that do not have swimming pools of their own") as well as tourists, though the breakdown of local versus out-of-area visitors for this specific aquatic facility is not provided (the Park's overall visitor numbers are reportedly 70% tourists). The applicant states that debt financing is not feasible, but provides no quantitative evidence that this long-lived asset could not be partially financed (in addition to a VACEDA \$1 million grant commitment which requires an equal match from another source). **Staff recommends award of \$500,000.**

Carroll-Grayson-Galax Solid Waste Authority
Carroll-Grayson-Galax Landfill Gas to Pipeline Project #2379
\$2,104,373.00 requested

Project Description provided by applicant: The Carroll-Grayson-Galax Solid Waste Authority ("CGGSWA") seeks a \$2.1 million Special Projects grant to assist with a \$2.8 million project to monetize the methane-containing landfill gas ("LFG") produced at its two landfills in Hillsville (Carroll County). The landfills generate enough LFG to produce an average of 75,000 decatherms of natural gas per year using the AdvanSorb® LFG purification technology (controlled by SWVA-based Renew Fuels, Inc.). The LFG production will go on for at least the next 50 years. CGGSWA estimates that by selling the purified LFG -- often called "renewable natural gas" -- into the natural gas pipeline, and selling "carbon credits," it will generate revenue averaging \$512K/year and net cash flow of \$260K/year. Because the landfills are located in a "Qualified Census Tract" under the federal New Markets Tax Credit program, the project is eligible for a NMTC investment. Instead of wasting the methane being produced at its landfills, CGGSWA will become an energy production entity in the heart of the Tobacco Region. The net revenue to CGGSWA means more funding for economic development projects, and sustainable source of local economic development funding.

Staff evaluation and recommendation: The project involves using a trademarked process (Renew Fuels Inc.'s AdvanSorb) to remove chemical contaminants from landfill methane gas and sell it for commercial use in a natural gas pipeline that is under construction less than a half-mile from the regional Waste Authority's Hillsville landfills. This technology is currently being tested in Tazewell County using a \$1.5 million TICR R&D grant approved in May. The project will create one-quarter of a full time job at the Waste Authority, but is purported to be of value in positioning SWVA-based Renew Fuels, the developers of AdvanSorb, for multiple additional projects in the tobacco region and beyond. The requested costs include a developer fee of \$255,000, although a developer is not named. Net revenues available for debt service exceed \$260,000 annually for several decades (up to 50 years). The proposal indicates net revenues would be used for future local economic development purposes. New Market Tax Credit financing is being considered (\$660,000), and the project appears to be a strong candidate for financing through the Virginia Resources Authority, obviating the need for TICR to fund 76% of the costs. The applicant offers TICR an equity stake in the project, or alternatively to be a debt financier, as part of this proposal. While the project has environmental and economic merit, the Commission should not be expected to be the principal funder or lender for each of Renew Fuels' local projects when there appears to be ample net annual operating revenues to cover debt service on the project. **Staff recommends no award.**

Center for Rural Virginia

Supporting Manufacturing to Attract, Train and Develop an Available Workforce #2416

\$200,000.00 requested

Project Description provided by applicant: Scope of Work - The grant scope of work is centered on workforce development for advanced manufacturing and determining the necessary steps to creating a regional skilled workforce pool to connect with CCAM suppliers as they locate in the Commonwealth. Va Rural Center plans to achieve this through an effective, proactive and inclusive role in developing partnerships critical to success. These partnerships will include public and private expertise from industry, training providers and the community supported by government at all levels. Positioning Southwest and Southside Virginia as "the place for industry to locate" due to a skills ready workforce will add a layer of strength to the rural labor market, and will develop the foundation for the Virginia Tobacco Region to be recognized as promoting innovative, competitive industry driven solutions to the current skills shortages and emerging labor market needs.

How the work will be accomplished:

- a full time Program Manager's will be responsible to cover Tobacco Commission Regions of Southwest and Southside. Rural Center management will over-see, monitor and manage the grant scope of work. The Center will promote and develop public/private partnerships to ensure success.
- Developing Public/Private Partnerships to include private industry, the Community College System, Workforce Training Centers, community leaders and others.

Staff evaluation and recommendation: This proposal to extend outreach efforts in support of CCAM-related advanced manufacturing opportunities has good objectives but currently lacks solidified partnerships with education providers and details about the specific curricula and workforce credentials to be offered. The project seeks scholarship funds for 50 students (25 in each TICR region, \$60,000 total), funding for a coordinator position to promote and manage the program (\$47,578), \$43,200 to contract with trainers, and office rent/supplies/equipment (\$33,750). Staff concerns include the following: 1) a similar effort to partner with education partners to provide advanced manufacturing training is being funded through the TICR grant directly to CCAM; 2) CRV proposes entering what is already a crowded multi-agency array of workforce training organizations; 3) the scholarship aspect duplicates TICR financial aid to community colleges, and; 4) sustainability issues are not addressed in this proposal, which was intended to seek \$600,000 for three years of the requested expenses. Further refinement is needed to determine CRV's role in providing advanced manufacturing training that is appropriately targeted and well-coordinated with industries and education providers. **Staff recommends no award.**

Community Foundation of the Dan River Region

SOVA REAP - Southern Virginia Regional Energy Alliance Program - #2393

\$210,898.00 requested

Project Description provided by applicant: DRRC is seeking to partner with the Tobacco Commission to form a Regional Energy Alliance (REA) in Southern Virginia. REAs are forming in the urban centers across the Commonwealth (Northern VA, Hampton Roads, and Richmond) and are joining together to form the Virginia Energy Alliance. While the Collaborative, through its energy sector initiative, has been included in the statewide conversations, support funds would allow

a dedicated person to develop the Southern Virginia REA. This insures that communities served by the Tobacco Commission are represented in the state level conversations as this Virginia Alliance will move forward with federal requests. In addition to the REA formation, funds will support an innovative weatherization pilot program targeting job creation, energy savings (aligned with the Commonwealth's energy goals), and direct assistance to job seekers. If successful, this pilot program can be expanded across the entire Tobacco Commission region. The pilot would support the weatherization of 50 units across the region. Units would be a mix of small businesses (less than 4000 sq ft) and residential (long-term unemployed, approved for WIA funds). The DRRC is requesting \$210,898 to support this initiative and intends to match these funds with \$75,000 in cash (does not include in-kind support). In addition, the DRRC will seek additional funds through WIBs, city government, and private industry to support the initiative (which would expand the pilot project). We have received confirmation from the West Piedmont WIB and the City of Danville that funds are available to support this initiative.

Staff evaluation and recommendation: The proposal is submitted by The Community Foundation on behalf of the Dan River Regional Collaborative, an alliance that has previously been awarded \$95,000 of TICR Reserve funds to match a National Fund for Workforce Solutions grant (see www.danriverrrc.org). TICR funds in the Reserve project have resulted in 35 regional residents receiving a national credential in conducting residential energy audits. This proposed establishment of a SoVA Regional Energy Alliance program is modelled on efforts underway in other urban areas of the Commonwealth, and is proposed to eventually address the entire TICR SoVA footprint. The request includes initial support for a regional coordinator position (\$68,150), and \$142,278 for materials and labor to complete 50 audits and implement energy retrofits for 50 small businesses and residences (the breakout of business vs. residential is estimated to be a fairly equal split). Annual savings per premise is estimated at \$950. Matching funds of \$75,000 for the coordinator and the energy retrofit labor would be provided DRRC using funds committed from other grantors. Future phase(s) include substantial regional expansion beyond the pilot phase of these 50 premises, though future funding for the coordinator position and retrofit costs ("private sector financing") is not fully addressed in the proposal. Energy savings - particularly for residential properties - is a clear economic benefit but does not fall within TICR's stated economic outcome priorities. The proposal has merit for small businesses that may not be eligible for the state's Weatherization programs (DHCD, DMME, DSS etc) but residential audits and retrofits are already well understood and supported statewide through these existing programs. **Staff recommends no award.**

GENEDGE ALLIANCE

E3 - Economy, Energy and Environment Pilot Program in Southern Virginia - #2434

\$550,000.00 requested

Project Description provided by applicant: GENEDGE ALLIANCE in partnership with the Southside Business Technology Center (SBTC) requests funding in the amount of \$550,000 to co-fund the E3 pilot project implementation in Southern Virginia. E3 (which stands for Economy, Energy, and Environment) is a federal program that is a model of collaboration between manufacturers, utilities, local government, and federal resources. E3 is intended to enable economic growth in local communities by providing funding for technical assessments, training, and implementation of energy and environmentally sustainable strategies within local manufacturing businesses. This initiative has been successfully pursued in various states. The geographic area of

the project is within the Tobacco Commission footprint and includes the following cities and counties: Martinsville City, Henry County, Danville City and Pittsylvania County. A Feasibility Study funded by the Harvest Foundation and the Danville Regional Foundation and conducted by the SBTC in co-operation with GENEDGE ALLIANCE in the spring of 2011 to investigate the potential to implement the E3 Initiative in Southern Virginia showed great industry demand and tremendous potential benefit of E3 in the region.

Market Potential - City/County - Manufacturing Establishments-Employees

Henry County -----	87-----	4,441
Pittsylvania County-----	56-----	2,050
Danville City -----	43-----	4,458
Martinsville City -----	24-----	1,028
Total -----	210-----	11,977

The efficiencies and cost savings expected from E3 within the manufacturing establishments will contribute to the increased market competitiveness of Southern Virginia manufacturing businesses which will directly translate into economic growth for the region. Funding will be used to conduct assessments at manufacturing establishments. These assessments will provide the basis for phase 2 implementations. Phase 2 is not part of this application.

Staff evaluation and recommendation: This late-filed request (submitted August 3rd) is modeled on E3 programs in several other states that have attracted substantial federal funding to assist major employers in lowering their energy use and increasing profitability. A pre-application to TICR for this program indicated a \$2 million cost for Phase 1 that included substantial federal funds, but none have been committed yet. The proposal does not anticipate the eight companies that receive energy assessments having any financial investment in the Phase 1 costs. Phase 2 costs to implement energy savings recommendations will purportedly be the responsibility of the companies, although a future TICR funding request should not be ruled out. Matching fund applications are expected to be submitted to the two regional foundations (Danville and Harvest) in September. Other state and federal agencies that "are envisioned" to participate by providing some aspects of the assessments are not yet committed in writing, although they are reported to be participating in an E3 program in southwestern Virginia. TICR's Reserve Fund assisted the SWVA project via a \$50,000 matching grant to pay for training and certification of Manufacturing Technology Center staff in E3 assessment as a component of MTC's menu of services. That one-time investment will pay dividends for years at no additional cost to TICR, whereas the proposed approach herein could conceivably be followed by additional requests to assist the 200+ other industries in the target area for the cost of each assessment. The focus on energy efficiency and cost savings for major tobacco region employers is a better strategic fit with TICR priorities than the SOVA REAP proposal described in #2393. However, a future commitment of federal funds would make this a far stronger proposal. **Staff recommends no award.**

Halifax County IDA

Completion of the Center for Coatings Application Research and Education (C-CARE) - #2395

\$1,466,015.00 requested

Project Description provided by applicant: This application by the Halifax IDA is to complete Phase II of the Center for Coatings Application Research and Education (C-CARE), a unique state-

of-the-art facility and program for work-force training, research, and education that serves to position the entire Commission's service region ("the footprint") for new economic development activity and regional work-force readiness. In January of 2011, the Tobacco Commission made an award to the Halifax IDA for Phase I, and recommended submission of a second proposal to complete the facility. Due to limited funds, a portion of the original request was funded. As it stands, the laboratory is not fully operational without certain key pieces of equipment. With a \$805,275 match and C-CAM as a partner, Phase II funding totaling \$1.46 million is now sought to acquire:

- 1) A robotic hang-line capable of advanced coating technologies to finish metal, plastic, wood, composite, and ceramic parts.
- 2) A spray booth that can accommodate large objects.
- 3) Surface preparation equipment that can prepare metal and wood parts prior to coating.
- 4) Other general mechanical and electrical upgrades to the facility.
- 5) A virtual-reality spray training system that is used throughout the industry to train spray operators.
- 6) Seed funding to start a non-profit entity that will partner with C-CAM, the Southern Virginia Higher Education Center, the Riverstone Energy Center, the Southern Virginia Regional Alliance, and other industrial organizations that establishes a national certification body for coating technologies and curriculum resource development for industrial manufacturers.

Staff evaluation and recommendation: TICR Southside funds of just over \$1 million were approved in January 2011 for Phase 1 buildout and equipment at the Riverstone 1 building that houses C-CARE. This request is submitted to Special Projects under the premise that the Center will serve the larger tobacco region and beyond as an affiliate of the Special Projects-funded Riverstone R&D center, a case which is reasonably supported by letters from major employers in Lynchburg, Martinsville, Danville, etc. A concern is that HIDA will sublease the complete control of the equipment and facility to the private American Wood Finishing Institute that is housed at Riverstone. Any funding consideration should relieve tobacco region companies of some reasonable portion of the cost to access TICR-funded equipment that is managed by AWWFI (a model similar to the High Performance Computing Center the Commission funded in Danville). There will be an available balance of more than \$1.7 million in the upcoming Southside Economic Development round for projects in Halifax County, and staff proposes that equipment and contracted services requested in this proposal will benefit industries across the larger tobacco region and should arguably be funded from Special Projects (\$845,000) while physical improvements to the Riverstone building owned by Halifax IDA in order to accommodate this equipment should be funded from the Southside allocation (\$621,000). **Staff recommends a transfer of \$845,000 of Special Projects funds to the Southside Economic Development Committee for equipment and contracted services in this proposal, contingent on Southside Committee approval of the use of SSED allocation for the Plant & Improvements component of this proposal, and to be combined with SSED funds as one consolidated grant award, and furthermore contingent on a discounted pricing plan (to be approved by the TICR Executive Director) for tobacco region entities to access the TICR-funded equipment and facility.**

Liberty University

Liberty University Center for Medical and Health Sciences - #2368

\$12,000,000.00 requested

Project Description provided by applicant: The Liberty University Center for Medical and Health Sciences will house the Liberty University School of Osteopathic Medicine and the Liberty University School of Health Sciences. This Center will contribute to the revitalization of the Tobacco region by (1) providing education to residents of the Tobacco region, (2) creating hundreds of jobs in the Center, and (3) providing qualified medical personnel to Medically Underserved Areas. As a corollary to this, the Liberty University Schools of Health Sciences and Osteopathic Medicine will add significant taxable assets to the region. Commission funding will be used to partially finance construction of the building and will be matched by an investment of from Liberty University.

Staff Summary and recommendation: The proposal initially sought 90% of building construction costs (\$18 million) and 88% of the costs to fully equip (\$15 million) a 105,000 square foot Center for Medical and Health Sciences on campus property that is within Campbell County (the majority of Liberty's educational facilities are adjacent within the City of Lynchburg). The proposed programs include: Doctor of Osteopathic Medicine; Masters in Nursing, Biomedical Science and Public Health; Bachelors in Nursing, Chemistry and Clinical Lab Science; as well as family nurse practitioner and associates-level technical programs. The programs are estimated to have enrollment of more than 2,400 in the third year and more than 4,000 by year five when all are fully operational. Of those students Liberty estimates nearly half will take advantage of a "2+2" path through community colleges and then on to Liberty, and that as much as one-fourth of the new in-state students may come from tobacco region localities. An economic impact assessment commissioned by the university estimates net new annual spending of \$19 million in tobacco localities when all proposed programs are fully operational in year five, as well as 219 direct new faculty and staff jobs and \$1.2 million of new state and local tax revenues. Through this direct economic activity from the Center and the tobacco region graduates that can be anticipated, the proposed programs could have one of the most transformative effects on the regional economy and preparing tobacco region residents for employment in allied health fields that TICR has funded to date. The requested amount clearly exceeds the budgeted funding capability of the FY12 Special Projects program, and would represent one of the largest single grants ever made by the Commission, though closely paralleled by the \$25 million grant offer to King College to establish its school of medicine. In the case of King College the TICR offer is contingent on a dollar-for-dollar match for capital construction costs, which is a potential strategy for assisting this request. Based on this precedent, TICR leadership contacted the University to determine if the university is agreeable to a dollar-for-dollar matching approach for building construction in the current year and equipment in a second year, which equates to a \$12 million TICR share for building construction in this current cycle and a subsequent commitment of \$8.5 million to equip the building next year. Liberty's leadership has amended its proposal in agreement with this funding strategy, and now requests \$500,000 of legal expenses to plan the project and gain accreditation, \$1.5 million for site development costs, and \$10 million for building construction. The university has recently sold \$120 million of low-interest tax-exempt bonds for campus construction projects, which would presumably be a committed source of matching funds. This funding strategy will require the shifting of unbudgeted funds that are available from corpus invasion in the current year. While this is an extraordinary request, staff finds it to be highly consistent with TICR objectives and transformative in its impact. **Staff recommends award of \$12,000,000 for building construction contingent on a dollar-for-dollar match on capital**

costs, subject to approval of a budget transfer to the Special Projects Committee that is sufficient to fund this award from unbudgeted corpus funds.

Martinsville-Henry County Economic Development Corporation

Patriot Centre Lot 2 Site Grading - #2350

\$700,000.00 requested

Project Description provided by applicant: Home to 17 industries that employ over 2,500 workers, the Patriot Centre is currently Martinsville-Henry County's premier non-rail served Industrial Park. Recent announcements of RTI International Metals (150 jobs, \$120M capital investment) and ICF International (539 jobs, \$15M capital investment), both of which located to greenfield sites at the Patriot Centre, have left the park with only two graded sites available: Lot 4 and Lot 8. The pad for Lot 8 is only 11 acres, and while the pad for Lot 4 is a bit larger (18 acres), it is a long, narrow tract of land which has proven to be challenging especially when a square building configuration is necessary. Over the past twelve months, the Martinsville-Henry County Economic Development Corporation has lost two potential projects (totaling 520 jobs and \$142 million in capital investment) due to the lack of a larger 20+ acre pad site in the Patriot Centre Industrial Park. Lot 2 in the Patriot Centre Industrial Park is a 32 acre site which, when graded, will yield a 26 acre pad. Roughly square in shape, this tract will allow much more flexibility in the type of building that will be able to fit on the pad. Funding from the Tobacco Commission will be leveraged with local funds to fully grade Lot 2 in the Patriot Centre Industrial Park. Based on detailed engineering plans conducted by Wiley&Wilson, the cost to grade Lot 2 is estimated at \$950,000. We are requesting \$700,000 from the Tobacco Commission, which will be matched with \$125,000 from Henry County and \$125,000 from the Martinsville-Henry County Economic Development Corporation (totaling a local match of more than 26%). The grading plan includes clearing and grubbing, excavation, erosion control, and entrance construction.(copied from attachment for Project Description).

Staff Summary and recommendation: The request is highly consistent with TICR's objective of preparing shovel-ready utility-served sites for job creation and private capital investment, as well Martinsville-Henry's track record of successfully attracting employers to Patriot Centre. The project is eligible for Special Projects by virtue of three factors: 1) Patriot Centre is a revenue-sharing facility for the two localities; 2) Martinsville receives no Southside Economic Development allocation, and; 3) Henry County does not have sufficient Southside allocation to complete this project. The County will have an available allocation of \$257,818 in the upcoming Southside Economic Development cycle, which should be used as a source of funds for this project, which leaves a balance of \$442,182 to be considered in Special Projects. **Staff recommends a transfer of \$442,182 of Special Projects to the Southside Economic Development Committee for this proposal, contingent on Southside Committee approval of the use of SSED allocation for the balance of requested funds, and to be combined with SSED funds as one consolidated grant award.**

Mecklenburg County

Commonwealth "TransTech" Marketing Alliance - #2358

\$200,000.00 requested

Project Description provided by applicant: The project is to establish a regional multi-functional economic development organization, Commonwealth "TransTech" Marketing Alliance, which aggressively markets the six localities of Brunswick County, Charlotte County, City of Emporia, Greensville County, Lunenburg County and Mecklenburg County. The Commission funds requested will be used to support the initial start-up costs and first year's marketing efforts of the Southeastern Virginia Marketing Council.

Staff evaluation and recommendation: A related proposal is being submitted to DHCD's Collaborative Communities program to fund organizational development costs (\$100,000) while TICR funds are requested to initiate marketing activities (\$73,000 for marketing materials, trade show exhibits, marketing missions etc), the initial six months of an executive director position (\$50,000 salary, \$17,000 equipment) and business development studies and services (\$10,000 location consultants, \$50,000 entrepreneurship study). A target industry sector study is underway with \$25,000 of VEDP funds, and details on the scope of the proposed entrepreneur study have been requested. This effort has been encouraged by the Lieutenant Governor's office and is modelled on the Southern Virginia Regional Alliance that has been established in localities immediately west of this region with support from TICR and General Assembly. No other current regional marketing efforts or organizations of this nature exist in the participating localities, which are planning to provide annual local funding support of \$1 per capita of population to fund future operating and marketing expenses (\$93,831 annually). Nottoway County has subsequently agreed to participate in the partnership, and preliminary discussions are underway regarding potential regional revenue sharing mechanisms for these localities that may wish to participate on a project-by-project basis. The proposed multi-locality partnership is highly consistent with TICR strategic goals of encouraging regional economic development recruitment efforts that result in measurable new jobs and private capital investment. **Staff recommends award of \$200,000.**

Moneta Arts Education and Community Center, Inc.

Center at the Lake - #2367

\$800,000.00 requested

Project Description provided by applicant: Center at the Lake (The Center) will provide a multi-functional facility for presenting a wide range of business related, artistic, musical, literary, educational, and community events that will economically benefit the Smith Mountain Lake region, including southwestern and central Virginia, by increasing tourism year round. The Center will have a positive effect on the region's economic base benefiting all area residents and visitors, and stimulate tourism. There is currently no facility of this type or size serving the rapidly expanding community and seasonal visitors to this region. The existence of such a facility will encourage an influx of new, tax paying residents to the area -- particularly retirees. Equally important is the fact that it will stimulate tourism -- eventually becoming a destination -- and bring positive and substantial economic benefits associated with tourism. Increased population, whether residential or visitors can and does stimulate increased retail, hospitality, construction and other service businesses, resulting in increased employment and greater prosperity for the region. Commission funds will be used for purchase of the property, engineering and architectural plans that will allow competitive

bids. Center at the Lake has already been granted funds from HUD, Bedford County, Smith Mountain Lake Association and Franklin County for planning and economic feasibility studies. Center at the Lake has also contacted the Roanoke Regional Partnership to explore opportunities for cooperation and collaboration in areas that will mutually benefit both our missions.

Staff evaluation and recommendation: Funds are requested by the non-profit applicant (501C3) to purchase 2.5 acres in Westlake Town Center (\$600,000) in Franklin County, and to contract for architectural/engineering services (\$200,000) to construct a multi-function arts, cultural and educational facility for area residents and visitors in the Smith Mountain Lake area. The applicants make an argument for Special Projects eligibility due to the regional support for the facility and outcomes that aspire to generate both tourism and educational benefits. The building will primarily house a theater/concert/banquet hall with fixed stage, in addition to a catering kitchen, classrooms, studios etc. Design, construction and creating an operating endowment is estimated to be a \$7.3 million fundraising effort, with several grant applications and public/private capital campaigns anticipated (\$155,000 has been committed to date, and a substantial future request to TICR for construction funding should be anticipated). At buildout three new positions will be required to manage the facility. The hall and related spaces will accommodate an anticipated 300 days of usage per year, including a well-defined array of arts, cultural, musical performances and events, in addition to business expos, job fairs, conferences and community gatherings. Educational programming is expected to focus primarily on the arts as well as literacy and other as-yet undefined regional needs. The project is expected to "attract upscale restaurants and hotels" and "encourage an influx of new taxpaying residents to the area - particularly retirees." Listed outcomes include attracting one new restaurant, one hotel and two new retail business to the area within three years. An economic impact study commissioned by the applicants identifies more than 2,500 annual out-of-area visitors spending more than \$760,000 annually, with annual state, federal and local tax revenues of \$186,000 by the third year of operation. TICR has previously supported educational centers nearby in Rocky Mount and Bedford that offer multiple degree and certificate programs through several educational partners. The proposal argues that site control and solid design plans are a critical step toward further successful fundraising. However, the land acquisition cost of \$240,000/acre, albeit in a vibrant well-served commercial node, far exceeds any support TICR has previously provided for land in other projects. The proposed operating budget of \$200,000/year relies heavily on annual fundraising of \$90,000 and primarily anticipates arts and cultural events (business related events are only a dozen of the expected 300 days of use). Funding would arguably set a precedent for using TICR funds for new construction of quality-of-life-enhancing arts and cultural facilities, which generate ancillary business and educational benefits along with indirect and speculative retail/commercial outcomes. However, if the Commission chooses to make a funding decision based on the above-mentioned impact study's estimates of visitor spending, consideration should be based on solid outcome tracking and significant commitments of construction funding from other sources. **Staff recommends no award.**

Olde Dominion Agricultural Foundation, Inc.

Olde Dominion Agriculture Complex -- Arena Build-Out - #2366

\$1,000,000.00 requested

Project Description provided by applicant: In order to facilitate continued growth for the Southside region's vast agricultural industry, producers are striving to coordinate agriculture programs and to develop new markets for local livestock and commodities. To support this vision,

the Olde Dominion Agricultural Foundation (ODAF) has constructed a 53,000 square feet indoor arena as part of the entire multi-million dollar, multi-purpose regional agriculture complex. Thanks to previous Tobacco Commission support of this project, funds previously awarded were utilized to completely build out the conference center and to erect the shell of the arena. Funds requested will be utilized with other grant opportunities to complete the interior build-out of the arena, which will host livestock shows and offer an enclosed location for hands-on training of in-the-field applications for all agricultural commodities. As an agriculture complex, most events held in the completed arena will be agriculture related such as the livestock shows, horse shows and related events, agri-tourism and agriculture education events. There will also be an ability to broaden the use of the arena facility for other commercial activities such as trade shows and exhibitions, commodity meetings and events, food and wine festivals, rodeos, car, boat, and equipment shows, concerts, graduations, and other similar events that would benefit from a large covered arena. These events would bring in tourism dollars from outside the existing local market. Please see attached verbiage to complete this section.

Staff evaluation and recommendation: The ODAF facility has previously received TICR Agribusiness support totaling \$1.9 million, in addition to a Southside grant of \$900,000 to provide water/sewer extension to the site. The requested uses of funds include bleachers, floor, lighting, stage and equipment for the arena interior, in addition to ancillary structures such as holding pens, a pole stall barn, warm up ring, parking, RV facilities and other expenses to complete the \$2.4 million buildout of the Complex. The applicant states no operating expenses will be requested of the Commission. The applicant organization makes the case for Special Projects eligibility by virtue of board membership and operational support from multiple adjacent counties. However, outcomes for the facility remain primarily agribusiness in nature, and arguably should remain a funding decision of the TICR Agribusiness Committee. Anticipated uses of the arena in the attached business plan and the economic impact study (conducted by VA Tech) include revenues from both an array of agricultural events (e.g. equine, livestock, education and research) as well as non-agricultural community events such as concerts, festivals, school graduations, etc. Direct annual spending within the multi-county region by visitors to the entire facility is estimated to be \$367,000, with a significant portion of that total resulting from use of the existing meeting space at the Complex. The business plan estimates 33 events annually in the arena, generating \$25,000 of revenues to the facility from an estimated 5,200 visitors. A majority of matching funds are not yet approved in the form of a pending applications for \$950,000 from the Danville Regional Foundation (which is requiring a separate new feasibility and economic impact study) and \$100,000 from USDA. Referral to TICR Agribusiness Committee will allow time for the updated feasibility/impact study to be completed and place this request in the proper TICR venue. **Staff recommends request be referred to the Agribusiness Committee.**

People Incorporated Financial Services

Commonwealth Enterprise Fund - #2381

\$750,000.00 requested

Project Description provided by applicant: People Incorporated Financial Services is requesting \$750,000 from Special Projects to provide loan funds for small businesses throughout Southwest Virginia. Entrepreneurs are the driving force behind small businesses -- and small businesses are the driving force behind local economies. People Incorporated Financial Services levels the lending playing field for small business owners to access affordable capital in a rural setting and strives to be

the means by which small businesses can find the support they need to launch a successful business. Funding from the Tobacco Commission has played a major role in providing incipient loan funds for this program. Since 2003, loan funds from the Tobacco Commission and, in tandem with services and due diligence provided by People Incorporated, have been directly responsible for 238.5 jobs being created and 237.5 jobs being retained in Southwest Virginia; a total of 476 full-time jobs! Resources received from the Tobacco Commission will be used specifically as loan funds to start or expand existing businesses, and may be applied toward working capital, equipment, inventory, real estate and improvements; flexible underwriting will be offered at an interest rate not to exceed prime plus 3%, with repayment terms not to exceed 10 years. Additionally, having this source of non-federal loan funds strengthens our application for funding from the U.S. Treasury, which requires a 1:1 non-federal match. Please see attached "Additional Description" for additional background information about People Incorporated.

Staff evaluation and recommendation: TICR has provided \$2 million to People Inc. for loan pool capital since 2003 which has funded 74 loans that helped create or retain a reported 476 jobs in SWVA localities. Of those loans, 22 have been paid off and 11 charged off (a reported 4.6% chargeoff rate). The organization states that only \$40,000 remains available for assisting future loan requests until such time as current loans are paid off. Staff observes that many of the businesses assisted with these loan funds serve local retail and service needs, and hence do not meet the test for businesses that grow the regional economic base by primarily exporting goods or services. One consideration for additional funding would be to limit future TICR-funded loans to those businesses that meet the export test. Supplemental information requested by staff indicates loan repayments will increase within 3-5 years as more loans made in recent years mature. Some amount of additional capital to fund loans over the next two years may be justifiable. **Staff recommends award of \$300,000, with priority on assisting businesses that export goods or services beyond the tobacco region.**

Prince Edward County

Virginia's Retreat Overall Strategic Plan and Organizational Expansion - #2396

\$508,500.00 requested

Project Description provided by applicant: Prince Edward County is the applicant sponsoring the Virginia's Retreat organization, who will be the recipient of the funds requested. Virginia's Retreat is requesting \$508,000 in funding for 1) the development of an Overall Strategic Plan; 2) the development of an Overall Marketing Plan focused on the critical period commemorating the Sesquicentennial of the American Civil War, and 3) start-up monies to hire an Executive Director to continue to create and oversee the region's tourism product. Virginia's Retreat and Prince Edward County will contribute \$61,000 total in cash and in-kind matching funds towards the project. The total project cost is \$569,500. *Please see the Attachment: Additional Project Description for detailed information on the project.

Staff evaluation and recommendation: This coalition of localities should be commended for looking comprehensively at more than 100 regional tourism attractions across a wide swath of Southern Virginia, including Civil War and Civil Rights destinations, outdoor recreation, agri-tourism and more. Hiring of staff is an objective that has merit to take the organization to the next level of professional marketing and management. However, the fourteen localities (which includes

two non-TICR localities) have successfully partnered for 18 years as an unincorporated coalition without staff, and the immediate need for staff (\$178,500 requested) and marketing plan implementation (\$204,500 requested) is not apparent until the the strategic planning process is completed, options for a corporate structure are considered, and new activities and strategies are defined. The strategic planning element of this request (\$125,500) appears to be the most urgent and fundable priority for the coalition. The project leaders have alternatively requested that a portion of funds (\$7,500) be approved - subject to a dollar-for-dollar match - to contract with a project coordinator to manage the strategic planning process on behalf of the localities. While this may be construed as providing grant management funds, it can also be viewed as a defensible first step toward creating a staff position to ensure a sound planning process and coordinate the 14-locality partnership. The aspects of this proposal to update existing marketing materials and create new materials should be deferred until the strategic plan identifies a preferred organizational structure and additional visitor destinations, marketing themes and partnerships. **Staff recommends award of \$125,500 for strategic planning and contracted project coordination.**

Region 2000 Research Institute

Expansion of CAER Capability to Support Development of 4G LTE Wireless Technology - #2377

\$348,000.00 requested

Project Description provided by applicant: This project will provide for equipment that will expand the R&D infrastructure of the Center for Advanced Engineering and Research for the wireless industry cluster in the region, specifically in the areas of P25 interoperability, transitioning traditional Land Mobile Radio (LMR) systems to commercial networks and Digital Mobile Radio (DMR) products. Furthermore this project will position wireless providers in the region for the emerging 4G LTE market. The new capabilities created through this equipment will open up new markets for regional companies both nationally and later internationally as the LTE standard continues to be adopted in numerous countries. Commission funds will be used to purchase laboratory and test equipment for the CAER that will support collaboration with multiple companies in the region for product development and enhancements to LMR interfaces in the areas of Session Initiation Protocol (SIP), Digital Mobile Radio (DMR) and Project 25 Interoperability (P25).

Staff Summary and recommendation: The proposal further strengthens the capacity of CAER - one of the TICR-supported R&D centers - to conduct wireless telecom research in partnership with local businesses in one of the Center's two core areas (nuclear is the other focus for CAER). The project was considered for the TICR R&D fund but did not meet that program's minimum project budget threshold. This equipment will primarily be used by one Bedford-based company (Catalyst) that has a research agreement for "push to talk" products with Verizon, but the proposal is also well-supported by other local telecom companies such as Harris and IWT that expressed interest in accessing the equipment to test interoperability of their products. The equipment will also be a resource for providing hands-on access to next generation technologies for students in the UVA-CVCC Engineers Produced program. Although commercialization outcomes from this investment are unknown at this time, the request does further TICR's objectives of developing the capacity of the tobacco region R&D centers and their partners in business, research and education. **Staff recommends award of \$348,000.**

**Roanoke River Basin Association - Upper Reach
Lake Country . Bannister River . Staunton River Blueways Initiative - #2414
\$299,858.00 requested**

Project Description provided by applicant: The RRBA-Upper Reach program is a regional initiative needed to foster a sustainable eco-tourism industry in Southside Virginia. It is designed to attract and inspire paddlers from neighboring markets to participate in canoeing and kayaking along an enhanced system of regional blueways. Special event and contest promotions will build awareness within the regional markets, targeting paddlers in the Richmond-Petersburg and Raleigh-Durham metro areas. This increase in paddling activity will generate increased demand for local businesses to provide lodging, dining, and related traveler services. Job opportunities for local entrepreneurs will develop with the need to provide shuttles, lessons, guided excursions, and equipment rentals and sales. Coupled with awareness building within the Southside community a new mindset will evolve to help transform our region into an eco-tourism destination. Upper Reach activities will primarily benefit the counties of Mecklenburg, Halifax, Pittsylvania, Campbell, Lunenburg and Charlotte. Prince Edward County with its existing kayak and canoe sales business will benefit to a lesser degree. A Project Location Map identifying the proposed blueways and their primary zone of impact has been attached for reference. Having begun its Phase-1 Program and Master Planning in December 2010, Upper Reach is now requesting funding for Phase-2 blueway development. Phase-2 includes 1) the development/enhancement of seven blueway trails (two of which are ADA accessible), 2) awareness building within the market place through display ads, rack cards, public service announcements, etc. 3) promotional paddling events and Explorer contests and 4) the development of a metrics program for assessing the impact.

Staff evaluation and recommendation: This wide-ranging proposal by a nonprofit applicant is based on a recent master plan for a region that spans the North Carolina border, and builds on an existing paddling resources and a web-based marketing presence. Capital improvements that provide visitors greater access to tobacco region blueways is the arguable priority here over operational costs to manage grant funds and build community awareness and support. Capital projects include several canoe launches in Southern VA (\$81,000), easements and legal fees (\$10,200), interpretive and wayfinding signage (\$45,000), assistance developing a metrics system (\$45,000 to be contracted to a university-based center), and website enhancements (\$7,100). Other requested activities that are less appropriate for TICR funds include staffing, grant administration and promotional contests, events and products. The proposal estimates attracting an additional 31,000 paddlers annually (a 50% increase), although other baseline outcome measures appear inflated (\$235 million in spending, \$20 million in taxes and 150 direct new jobs). However, the applicant is planning to gather primary data (intercept and mail surveys) so that more reliable tracking data can be gathered. The effort is solidly aligned with DCR's Outdoor Plan and VA Tourism Corporation's outdoor recreation marketing efforts, and cross-promotes the Tobacco Heritage hiking/biking trails funded by TICR. A future partner should also include the TICR-funded Fish Virginia First marketing partnership. Activities that support the two-state region such as the website development and metrics analysis should be cost-shared at a 50:50 rate. **Staff recommends award of \$180,250 for tobacco region capital improvements and related professional costs, contingent on use of competitive bidding best practices for all procurement and 50/50 cost-share of contracted metrics analysis and website enhancements that promote and measure activity in the two-state region.**

Roanoke River Service Authority
RRSA PAC Silo Project - #2345
\$426,780.00 requested

Project Description provided by applicant: Project activities include the installation of a 20,000 lb PAC capacity silo detached from the water treatment plant. The feeder and all mechanical equipment would be enclosed within the silo housing, and the assembly will be equipped with a dust collector to cleanse the air that escapes from the silo. Current and future businesses and residents located in the Towns of Boydton, South Hill, La Crosse, Brodnax, and Chase City and selected rural areas in the Counties of Mecklenburg and Brunswick, a population of approximately 11,089 persons with a median household income of \$24,706, will directly benefit from the proposed project. Commission funds will be used for the engineering, purchase, construction, and installation of the PAC Silo.

Staff Summary and recommendation: The applicant reports that several of the communities it serves are under VDH consent orders, and the requested funds would improve the quality of drinking water for 5,000 residences and 700 businesses and "allow for far more efficient operations at RRSA." The requested activities appear to be an operational improvement that should be funded from system revenues and/or grants/loans from other water funding agencies whose priorities are safe drinking water (note, the Commission has recently funded the Route 92 waterline and storage tank that will increase RRSA's user base by 25%, generating additional annual operating revenues). While the RRSA service area consists of multiple localities that meet the regional participation test for Special Projects eligibility, there are no measurable or identified direct economic outcomes from this project that would align with TICR funding priorities. **Staff recommends no award.**

Robert Russa Moton Museum
Moton 2011: the Permanent Exhibition - Galleries II-VI, Final Fabrication and Installation - #2369
\$1,600,000.00 requested

Project Description provided by applicant: The Robert Russa Moton Museum requests \$1,600,000 in Virginia Tobacco Indemnification and Community Revitalization Commission, Special Projects Funding for Moton 2011: the Permanent Exhibition, Galleries, II-VI, Final Fabrication and Installation. Funds will be used toward exhibits, interpretive panels, exhibit lighting, and audiovisual components chronicling Virginia's transition from segregated to integrated public education. Total project cost is \$1,785,883.

Staff evaluation and recommendation: TICR has provided nearly \$937,000 to date for renovations to the Moton building and exhibit design. Moton's request for NEH funds was declined this year but resubmitted last month for \$395,000. This request would increase TICR's share of the overall project to more than 76%. TICR staff has requested funding elements for a phased construction approach and the applicant remains hopeful for full award so that all exhibits can be completed at one time and at a lower cost. The applicant's economic impact study estimates that visitation would increase seven-fold from the current 5,000 annually to more than 35,000 a year, with a corresponding increase from the current \$75,573 of annual visitor spending to more than a half million dollars of direct visitor spending annually. It is the opinion of TICR staff that substantial

fundraising can still be accomplished for this nationally-important facility, reducing the need for TICR to be the primary museum funder. **Staff recommends award of \$400,000, to be matched on a dollar-for-dollar basis.**

Southwest Regional Recreation Authority

Adventure Tourism, Playground of the East - An Enterprising Pathway to Economic Diversification and a Locally Sustainable Economic Engine for Southwest Virginia - #2357

\$1,118,350.00 requested

Project Description provided by applicant: On March 13, 2008, the Virginia General Assembly passed legislation creating the Southwest Regional Recreation Authority (SRRA), a public corporation and governmental instrumentality with the ability to exercise the public powers of the state. Its mandate is to establish and maintain "...a system of recreational trails and appurtenant facilities, including trail-head centers, parking areas, camping facilities, picnic areas, recreational areas, historic or cultural interpretive sites, and other facilities..." in the Southwest Regional Recreation Area. In this capacity, SRRA serves/supports all jurisdictions within the LENOWISCO and Cumberland Plateau Planning District Commissions, an area encompassing Tazewell, Buchanan, Russell, Dickenson, Wise, Scott and Lee Counties, and the City of Norton. SRRA's stated Mission is to "...create and manage multi-use trails in the Southwest Regional Recreation Area to stimulate, enhance and sustain economic development and job creation in Southwest Virginia." The initiative is known as Spearhead Trails. Achieving the intent of its Charter and implementing its Mission will be accomplished by developing an international recreational multi-use trail destination for adventure tourists throughout the Eastern United States and beyond.

Staff evaluation and recommendation: TICR has previously supported Spearhead Trails with Special Projects grants totaling nearly \$334,000 for feasibility and implementation planning, in addition to two Southwest Economic Development grants totaling \$350,000 for trail construction in two counties. The requested funds would fully fund start-up operations including trails management, marketing and maintenance for a three year period. Spearhead has received no General Assembly funding since that body created the Recreation Authority. A business/operations plan is being completed using a current Special Projects grant, and is due for completion in the next three months. A portion of that most recent grant is also being rebudgeted to establish an executive director position. Given state budget surpluses in the current year and the potential to identify other funding mechanisms through the business plan, staff is supportive of partial funding to guarantee adequate funds for core staff to be hired. **Staff recommends award of \$200,000.**

The University of Virginia's College at Wise Foundation

Appalachian Community Scholars Program - #2336

\$900,000.00 requested

(application was submitted on old paper forms, description is provided by TICR staff). UVA-Wise requests funds for one year of scholarship funds to serve students who will enter the university as Appalachian Community Scholars. For the past several years UVA-Wise has provided scholarships from other sources for AIMS students who entered as juniors after completing the first two years of

their higher education at one of SWVA's three community colleges. This new program would accept students that do not choose the community college path and enroll at the university as incoming freshmen. The funds would provide full tuition and fees for 116 students from Wise, Dickenson, Scott and Lee Counties during the 2011-12 school year.

Staff evaluation and recommendation: The proposed program would potentially serve students who are not eligible for TICR's Southwest Tobacco scholarship program due to a lack of family ties to the tobacco economy. However, it could also compete for students with the AIMS programs at community colleges by enticing students to forego the 2+2 approach and enroll at UVA-Wise as freshmen. The proposal also lacks the "last dollar" aspect of TICR's other scholarship grants, which eliminates the leveraging of other state and federal loan and grant funds. Noting that the requested amount would only fund one class of students for one year, the program also has the likelihood to swell into much larger funding requests in future years as four annual cohorts of students are funded for each year of their college enrollment. The Education Committee has repeatedly eschewed proposals for separate "pots" of scholarship funds at individual four year institutions, in favor of the Commission's two regional scholarship programs. Any consideration of creating a new scholarship program ought to be under the purview of the Education Committee, and at the request of Commission leaders UVA-Wise is discussing a revised proposal with Longwood University, the tobacco region's other public university, to propose a last-dollar program across both regions that would make attendance at those two public universities an affordable option for tobacco region residents who are not currently served by the Commission's existing regional scholarship programs. **Staff recommends request be revised and referred to the Education Committee.**

Wilderness Road

Wilderness Road Regional Asset Inventory - #2382

\$101,000.00 requested

Project Description provided by applicant: This project is to fulfill VA & US Byway Designation:

1. Implement an Asset Inventory to identify existing premier heritage sites along Wilderness Road, Fincastle Turnpike and Carolina Road and all counties of SWVA
2. Provide detailed Byway heritage information that will provide exhibits for existing museums and create a foundation for new exhibits and projects.
3. Develop a Byway Corridor Management Plan required for State/ National Byways designation.
4. Provide hisitorial accuracy to create narratives for interpretive panels to display at visitors in all Southwest Virginia
5. Create interpretive panels for each community at the Visitor Centers. The panels will provide historical significance of the community in regards to the pioneer settlement and migration.
6. Develop an historical guide that will be printed and added as downloadable documents on the web site.

How will Commission funds be used:

1. match funds awarded by ARC, VTC, and communities. A professional contract will be issued to hire a person or company for the Asset Inventory. Maps/journals/testimonies,paintings,drawings and historical writings from the local Universities, Colleges and historians will be studied to create a list of the premier assets
2. Develop interpretive panels dedicated to the historical significance the community played in the early settlement/migration.

3. Develop a Pioneer Journal with maps, testimonies, premier historical sites and directions.
4. Funds will be spent to promote the SWVA heritage and the Pioneer Journal.

Staff evaluation and recommendation: The request by the 501C3 designated nonprofit partnership of localities stretching from Winchester to the Cumberland Gap and down the "Carolina Road" (Route 220) is well-matched by approved funds from a Virginia Tourism Corporation marketing grant and the Appalachian Regional Commission. TCR funds for capital costs such as interpretive panels will be limited to tobacco region localities. The Wilderness Road is clearly a national migration story and embodiment of Special Projects regional participation that connects several existing tourism venues and communities in both Southern and Southwest Virginia, while appealing to international visitors and complementing other regional cultural heritage tourism partnerships including Crooked Road and Round the Mountain. Outcome figures provided appear extremely inflated (e.g. a current baseline of 260 million visitors and spending of \$780 million) but the projected three percent increase in visitation appears achievable in light of the planned marketing efforts and national byway designation. However, refined outcome tracking measures are necessary to reliably report on outcomes of this modest investment. Web-based tools and fulfillment of requests for print material should provide a basis for that reporting, in conjunction with follow-up visitor surveys. **Staff recommends award of \$101,000 contingent on revised reporting metrics and baselines for assessing net new visitor impacts. ■**